



MCE Board of Directors Meeting
Thursday, May 15, 2025
6:30 p.m.

1125 Tamalpais Avenue, San Rafael, CA 94901 **(MCE)**
2300 Clayton Road, Suite 1150, Concord, CA 94520 **(MCE)**
955 School Street, Napa, CA 94559, City Hall Committee Room **(City of Napa)**
675 Texas Street, Fairfield, CA 94533, First Floor Hearing Room **(Solano)**

Public comments may be made in person via the details below.

Remote Public Meeting Participation

Video Conference: <https://zoomto.me/F6Ogt>
Phone: Dial (669) 900-9128, Meeting ID: 890 0487 7785, Passcode: 525690

Materials related to this agenda are available for physical inspection at MCE's offices in San Rafael at 1125 Tamalpais Ave, San Rafael, CA 94901 and in Concord at 2300 Clayton Road, Suite 1150, Concord, CA 94520.

DISABLED ACCOMMODATION: If you are a person with a disability who requires an accommodation or an alternative format, please contact MCE at (888) 632-3674 or ada-coordinator@mceCleanEnergy.org at least 72 hours before the meeting start time to ensure arrangements are made.

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1. Roll Call/Quorum
2. Board Announcements (Discussion)
3. Public Open Time (Discussion)
4. Report from Chief Executive Officer (Discussion)

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5. Consent Calendar (Discussion/Action)
 - C.1. Approval of 4.17.25 Meeting Minutes
 - C.2. Approved Contracts for Energy Update
6. Customer Programs Update (Discussion)
7. Public Affairs Update (Discussion)
8. Strategic Initiatives Update (Discussion)
9. Board & Staff Matters (Discussion)
10. Adjourn

The Board of Directors may discuss and/or take action on any or all of the items listed on the agenda irrespective of how the items are described.

DRAFT
MCE BOARD MEETING MINUTES
Thursday, April 17, 2025
6:30 P.M.

Present: Liz Alessio, The County of Napa and Four Napa Cities/Town
(American Canyon, Calistoga, St. Helena, and Yountville)
Stephanie Andre, City of Larkspur
Eli Beckman, Town of Corte Madera
Mark Belotz, Town of Danville
Monica Brown, County of Solano
Barbara Coler, Town of Fairfax
Cindy Darling, City of Walnut Creek
Kevin Jacobs, City of Novato
Arlene Kobata, City of Pittsburg
Maika Llorens-Gulati, City of San Rafael
Satinder Malhi, Alternate, City of Martinez
Aaron Meadows, City of Oakley
Devin Murphy, City of Pinole
Laura Nakamura, City of Concord
Charles Palmares, City of Vallejo, joined at 6:55pm
Max Perrey, City of Mill Valley
Gabe Quinto, City of El Cerrito, Acting Chair
Mary Sackett, County of Marin
Mathew Salter, Town of Ross
Shanelle Scales-Preston, County of Contra Costa, joined at
7:35pm
Amanda Szakats, City of Pleasant Hill
Graham Thiel, Town of Moraga
Holli Thier, Town of Tiburon
Sridhar Verose, City of San Ramon
Sally Wilkinson, City of Belvedere, joined at 6:43pm
Cesar Zepeda, City of Richmond
Brianne Zorn, City of Martinez

Absent: Dion Bailey, City of Hercules
Kari Birdseye, City of Benicia
Melissa Blaustein, City of Sausalito
Gina Dawson, City of Lafayette
Tarrell Kullaway, Town of San Anselmo
Elizabeth Pabon-Alvarado, City of San Pablo
Beth Painter, City of Napa
Manveer Sandhu, City of Fairfield

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Staff

& Others:

Jared Blanton, VP of Public Affairs
Jesica Brooks, Lead Board Clerk and Executive Assistant
Vidhi Chawla, VP of Power Resources
Shyna Deepak, Communications Manager
Vicken Kasarjian, Chief Operating Officer
Caroline Lavenue, Legal Counsel II
Tanya Lomas, Board Clerk Associate
Catalina Murphy, General Counsel
Ashley Muth, Internal Operations Coordinator
Tyler Noble, Municipal Capital Markets Group, Inc.
Efren Oxlaj, Finance Manager
Justine Parmelee, VP of Internal Operations
Mike Rodriguez-Vargas, Internal Operations Assistant
Enyonam Senyo-Mensah, Internal Operations Manager
Dan Settlemyer, Internal operations Associate
Maíra Strauss, VP of Finance and Treasurer
Lisa Strong, Internal Operations Intern

1. Roll Call

Acting Chair Quinto called the regular meeting to order at 6:32 p.m. with quorum established by roll call.

2. Board Announcements (Discussion)

Acting Chair Quinto opened the floor for board announcements, and there were no comments.

3. Public Open Time (Discussion)

Acting Chair Quinto opened the public comment period and there were comments made by Rebekah Collins and Isabelle Winstead.

4. Report from Chief Executive Officer (Discussion)

Vicken Kasarjian, COO introduced this item and addressed questions from Board members.

Acting Chair Quinto opened the public comment period and comments were made by Dion Bailey.

5. Consent Calendar (Discussion/Action)

- C.1 Approval of 3.20.25 Meeting Minutes
- C.2 Approved Contracts for Energy update
- C.3 Board of Directors Voting Shares Update
- C.4 Proposed Committee Governance Recommendations from the Executive Committee

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C.5 Addition of Board Members to Committees

Acting Chair Quinto opened the public comment period and there were no comments.

Action: It was M/S/C (Perrey/Alessio) to **approve Consent Calendar items C.1, C.2, C.3, C.4 and C.5.** Motion carried by unanimous roll call (Absent: Bailey, Birdseye, Blaustein, Dawson, Kullaway, Pabon-Alvarado, Painter, Palmares, Salter, Sandhu, Scales-Preston, Thier).

6. 2024 Charles F. McGlashan Advocacy Award Presentation (Discussion)

Jared Blanton, VP of Public Affairs, presented the McGlashan Advocacy Award to The Greater Concord Chamber of Commerce, RCF Connects, and Andrew Bradley, Program Manager, City of St. Helena.

Acting Chair Quinto opened the public comment period and there were no comments.

Action: No action required.

7. Proposed Resolution 2025-02: Authorizing the Execution and Delivery of a Clean Energy Purchase Contract and Certain Other Documents in Connection with the Issuance of the California Community Choice Financing Authority Clean Energy Project Revenue Bonds; and Certain Other Actions Required to Ensure the Reduction in the Costs of Renewable Energy Therewith (Discussion/Action)

Vicken Kasarjian, COO and several MCE staff addressed questions from Board members.

Acting Chair Quinto opened the public comment period and there were no comments.

Action: It was M/S/C (Nakamura/Darling) to **approve Resolution 2025-02: Authorizing the Execution and Delivery of a Clean Energy Purchase Contract and Certain Other Documents in Connection with the Issuance of the California Community Choice Financing Authority Clean Energy Project Revenue Bonds; and Certain Other Actions Required to Ensure the Reduction in the Costs of Renewable Energy Therewith.**

Motion carried by roll call vote. Yays-28; No-1; Abstain-1 (No: Wilkinson; Abstain: Their; Absent: Bailey, Birdseye, Blaustein, Dawson, Kullaway, Pabon-Alvarado, Painter, Sandhu).

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11. Board & Staff Matters (Discussion)

There were comments made by Scales-Preston, Salter and Beckman.

12. Adjournment

Acting Chair Quinto adjourned the meeting at 7:45 p.m. to the next scheduled Board Meeting on May 15, 2025.

Gabriel Quinto, Acting Chair

Attest:

Dawn Weisz, Secretary



May 15, 2025

TO: MCE Board of Directors

FROM: Adita Farahiyah, Power Resources Analyst

RE: Approved Contracts for Energy Update (Agenda Item #05 C.2)

Dear Board Members:

Summary:

This report summarizes contracts for energy procurement entered into by the Chief Executive Officer or her delegate and, if applicable, the Chair of the Technical Committee, since the last report was prepared for the regular Board meeting in April 2025. This summary is provided to your Board for information purposes only and no action is needed.

Review of Procurement Authorities:

In November 2020, your Board adopted Resolution 2020-04 which included the following provisions:

The CEO and Technical Committee Chair, jointly, are hereby authorized, after consultation with the appropriate Committee of the Board of Directors, to approve and execute contracts for Energy Procurement for terms of less than or equal to five years. The CEO shall timely report to the Board of Directors all such executed contracts.

The CEO is authorized to approve and execute contracts for Energy Procurement for terms of less than or equal to 12 months, which the CEO shall timely report to the Board of Directors.

The CEO is required to report all such contracts and agreements to the MCE Board of Directors on a regular basis.

Item #	Month of Execution	Purpose	Average Annual Contract Amount	Contract Term
1	April 2025	Sale of Resource Adequacy	\$52,500	1 Year or less
2	April 2025	Purchase of Carbon Free Energy	\$2,225,000	1-5 Years

Contract Approval Process:

Contract Approval Process: Energy procurement is governed by MCE's Energy Risk Management Policy as well as Board Resolutions 2020-04 and 2018-08. The Energy Risk Management Policy (Policy) has been developed to help ensure that MCE achieves its mission and adheres to its procurement policies established by the MCE Board of Directors (Board), power supply and related contract commitments, good utility practice, and all applicable laws and regulations. The Board Resolutions direct the CEO to sign energy contracts up to and including 12 months in length.

The evaluation of every new energy contract is based upon how to best fill MCE's open position. Factors such as volume, notional value, type of product, price, term, collateral threshold and posting, and payment are all considered before execution of the agreement.

After evaluation and prior to finalizing any energy contract for execution, an approval matrix is implemented whereby the draft contract is routed to key support staff and consultants for review, input, and approval. Typically, contracts are routed for commercial, technical, legal, and financial approval, and are then typically routed through the Chief Operating Officer for approval prior to execution. The table below is an example of MCE staff and consultants who may be assigned to review and consider approval prior to the execution of a new energy contract or agreement.

Review Owner	Review Category
Vidhi Chawla (MCE, Vice President of Power Resources)	Procurement/Commercial
John Dalessi (Pacific Energy Advisors)	Technical Review
Steve Hall (Hall Energy Law)	Legal
Nathaniel Malcolm (MCE, Senior Commercial Counsel)	Legal/CPUC Compliance
Maira Strauss (MCE, Vice President of Finance)	Credit/Financial
Vicken Kasarjian (MCE, Chief Operating Officer)	Executive

Fiscal Impacts:

Expenses and revenue associated with these Contracts and Agreements that are expected to occur during FY 2025/26 are within the FY 2025/26 Operating Fund Budget. Expenses and revenue associated with future years will be incorporated into budget planning as appropriate.

Recommendation:

Information only. No action required.



May 15, 2025

TO: MCE Board of Directors
FROM: Alexandra McGee, Vice President of Strategic Initiatives
RE: Strategic Initiatives Update (Agenda Item #08)
ATTACHMENT 2025 Annual Board Strategic Initiatives Status Update (Presentation)

Dear Board Members:

Summary:

MCE formed the Strategic Initiatives Department in 2020 to create additional capacity to tackle strategic projects that require cross-departmental coordination. As the newest and smallest department at MCE, staff work to identify, pursue, and develop opportunities until they're mature enough to be integrated into another appropriate department at MCE. Initiatives vary depending on the current needs of the agency. There are six currently active initiatives. This staff report is a high-level summary of the work the team has done over the last year within those six initiatives.

Virtual Power Plant: In the pilot phase, retrofit eligible Richmond homes and businesses with new distributed energy resources (DERs) to reduce bills and increase resiliency by connecting to MCE's Virtual Power Plant (VPP) through a unique tariff and agreement. A subset of refurbished homes will be sold at a discount to first-time income-qualified homebuyers. For the expansion phase, adapt a subset of MCE programs to facilitate VPP-compatible DER installations throughout all MCE communities.

Strategy wins:

- Scored first place to win \$5,000,000 in California Energy Commission's (CEC) VPP Flex grant.
- Worked with CEC staff to overcome a hurdle posted by the California Environmental Quality Act (CEQA) in contracting for VPP Flex.
- Held a successful VPP Press Event with invitees from the CEC, Environmental Protection Agency (EPA), California Public Utilities Commission (CPUC), others.
- Developed the [Playbook: How MCE's VPP is Building the Future of Energy.](#)

Technology:

- Gained access into the California Independent System Operator's (CAISO) Demand Response Registration System (DRRS) system to begin registering assets.

- Communication tests demonstrated that DERs are communicating, as a result, bill credits begin showing up on monthly bills.
- Successful registration with CAISO to support future VPP Settlement.

Policy:

- Coordinating with Policy team on potential VPP bills and OpenADR language.
- Provided text to municipalities to include in their Request for Proposals (RFP) to ensure local microgrid efforts are VPP-compatible.
- California's Strategic Growth Council leans on MCE as thought partner to develop their VPP RFP.

Next steps:

- Completing contracting with the CEC to begin VPP Flex deliverables.
- Integrating a limited number of older Duracell batteries into the VPP that were installed through Energy Storage Program.
- Working with SolarEdge to enroll their local batteries into the VPP.

Finding Funding: Work cross-departmentally to identify and apply for relevant funding opportunities. Coordinate strategy to determine the best path forward through grants, earmarks, tax credits, partnerships, or other creative ways to secure funds for MCE communities:

Grants submitted and/or awarded:

- Department of Energy (DOE) paid \$500,000 earmark for Energy Storage at critical facilities.
- Awarded \$380,000 for workforce development from the Marin Community Foundation.
- After a year of advocacy, Contra Costa's edge of the refinery corridor is selected for a "quick start" program for CEC's Equitable Building Decarbonization funds to stack upon MCE's programs.
- MCE included as subcontractor in Berkeley Lab's proposal to use EVs as DERs in VPP applications.

Supporting community:

- MCE has written 43 recent letters of support for local community-based organizations (CBO) and municipalities. Twenty of those support letters were included in winning grant applications, representing a collective investment of more than \$341,000,000 for MCE communities.
- Influenced funding opportunities by co-signing responses to Requests for Information (RFIs) for opportunities such as the CEC's Distributed Electricity Backup Assets Program (DEBA), CEC's Home Efficiency Rebate (HOMES) Pay for Performance, and IBank's Climate Financing.
- Developed accessible system to share open grants with MCE [member communities](#).

Internal controls:

- Completed a mock audit review of MCE's systems, including 19 policies, 20 financial and accounting documents, and 200+ questions about MCE internal controls. Recommendations are synthesized in a 60-page report.
- Supported the Customer Programs team in selecting Amplifund as MCE's grant compliance management system. Trained the team in its use to increase cross-team cohesion.

- Challenges:

- Federal:
 - The federal funding freeze has sent much uncertainty through the industry.
 - MCE's \$1,000,000 grant from the Department of Energy (DOE), "Charged by Public Power" may be on short list for cancellation.
 - Two of MCE's earmarks were temporarily stuck due to the Department of Housing and Urban Development (HUD) rejecting MCE's offer to be the responsible entity for environmental review even though federal code dictates that a general unit of local government qualifies.
- Not funded:
 - MCE's \$50M Grid Resilience and Innovation Partnerships (GRIP) proposal to the DOE was not awarded.
 - Supported Richmond's proposal to the EPA to electrify multiple city blocks. Ultimately this proposal was not awarded, but it would have included \$10,380,000 for three years of general contracting for 20-40 complete home retrofits and \$1,000,000 for MCE to manage.
 - Neither of MCE's 2 Connected Communities proposals to the DOE were awarded; representing \$6,000,000 in funding requests.
 - The CPUC froze the Transportation Electrification Framework - including MCE's \$4M proposal to electrify municipal fleets using funding from the Local Infrastructure Transportation Electrification fund (LITE).
 - Supported the Marin Community Foundation's proposal to the EPA for their Community Change funding. This would have included \$600,000 for workforce development in the Canal District of San Rafael and in Marin City. Unfortunately, this was not awarded.
 - Not awarded \$100,000 proposal to DOE for Social Impact Bonds prize.
 - The Advice Letter to add MCE's Peak Flex to the approved Demand Response (DR) program list to qualify for Self Generation Incentive Program (SGIP) funding was suspended by the CPUC in February, reasons unknown.

Next steps:

- To strategize on local CBO relationships prior to Chevron's forthcoming [\\$550M investment](#) in the City of Richmond, launched an internal Environmental Justice (EJ) Tiger Team to work together throughout 2025.

- Preparing to pursue a Regional Investment Initiative grant from California's Labor and Workforce Development Agency to strengthen MCE's Green Workforce Pathways program. Application due March 2026.
- Working with the Compliance and Legal teams to incorporate the mock audit recommendations by the end of 2025.

Responsible Biomass: Develop local biomass projects as defined by MCE's [Responsible Biomass Principles](#) (2020) to generate renewable baseload energy while simultaneously supporting wildfire mitigation and organic waste diversion from landfills.

Recent wins:

- Presented revised Responsible Biomass Principles to Technical Committee in August 2024. This latest version now includes feedback from MCE's Community Power Coalition, Canal Alliance, Marin Biomass Collaborative, Air District, Natural Resources Defense Council and the MCE Board.
- Monitoring the development of potential local projects at Marin Sanitary Service (2 megawatt [MW]) and Napa Recycling and Waste Services (3MW) for energy as well as possible mid-term reliability compliance.
- Over the last two years, have represented MCE as an active participant in the Marin Biomass Collaborative.
- Met with Loamist to discuss biomass feedstock tracking and certification.

Next steps:

- BioEnergy Association of California (BAC) has recently filed a Petition for Modification at the CPUC to remove the Bioenergy Market Adjusting Tariff (BioMAT) Feed In Tariff (FIT) end date and ensure projects count toward mid-term reliability. Assembly Majority Leader Cecilia Aguiar-Curry and ten other legislators sent a [letter](#) to the CPUC urging the same. If successful, this will influence MCE's negotiations for local biomass energy.

Green Hydrogen: Develop electrolytic power-to-power green hydrogen production.

Recent wins:

- Inspired by the California Environmental Justice Alliance (CEJA) and encouraged by Director Fineman, staff developed MCE's first [Green Hydrogen Principles](#). These were presented at the Technical Committee in May 2024.
- In June, attended the California Hydrogen Leadership Summit to increase MCE's visibility among developers and potential partners.
- Secured a non-disclosure agreement with LS Power to discuss MCE procurement obligations on a month-hour basis; imbalance adjustment costs, data transfer needs for MCE's scheduling coordinator.

- Followed Director Palmares' suggestion to meet with Lumindt to learn about their innovative green hydrogen technology and the possible siting of a facility in Vallejo.
- April 2025:
 - Met with a German McCloy Fellow on Global Trends from the American Council to inform research on the hydrogen sector in the United States, our policies, and the potential for transatlantic cooperation.
 - Connected with staff at Southern California Gas (SoCalGas) to learn about their hydrogen microgrid located at the Energy Resource Center in Downey.
 - At the 2025 CalCCA summit, Dawn moderated a panel with the CEO of the Alliance for Renewable and Clean Hydrogen Energy Systems (ARCHES)- Angelina Galiteva - as well as the CEO of First Public Hydrogen Utility - Jason Caudle - to discuss the future of hydrogen in California.

Next Steps

- Support the Power Resources Department to assess the feasibility of a green hydrogen electrolytic hydrogen tariff to assign new bundled renewables to a 20MW electrolyzer in Contra Costa.

Supplier Diversity: Engaging small, diverse, local businesses to educate about the CPUC's Supplier Diversity program and completing compliance activities related to annual report.

Recent wins:

- April 2024: Attended the CPUC's Small and Diverse Business Expo to share MCE solicitations with interested certified vendors.
- August: In partnership with Ava Community Energy and Silicon Valley Clean Energy (SVCE), hosted MCE's 6th Annual Certify & Amplify. Speakers included representatives from the California Public Utilities Commission; the California Department of General Services; Energy 2001 (Woman-Owned Business); and EquitiFy (Minority-Owned Business).
- October: MCE was the only CCA invited to speak at the CPUC's annual Supplier Diversity *en banc*. Dawn represented CCA interests on a panel with the Investor Owned Utilities (IOUs).
- March 2025: Submitted [2025 Annual report](#) with new templates. Totals for 2024:
 - \$47,000,000 spent with 108 local businesses
 - \$4,100,000 spent with 12 diverse businesses
 - \$883,000 spent with 11 small businesses

Next steps:

- Organize MCE's 7th annual Certify & Amplify with SVCE as webinar's cohost.
- Certify MCE's vendors who qualify for certification but who have yet to secure it.

Environmental Justice (EJ) Tiger Team: Launched February 2025, a one-year effort to strengthen EJ relationships, meet with existing EJ CBOs, find policy and program opportunities, including understanding penetration of MCE programs in Disadvantaged Community (DAC) tracts. Includes representatives from Strategic Initiatives, Policy, Technology and Analytics, Customer Programs.

Recent wins:

- Summarized annual reports from 13 local EJ CBOs, found alignment with MCE priorities to help develop key takeaways and strategy for the year ahead.
- Summarized resources from the Government Alliance on Race and Equity (GARE) to help MCE strategize around communications pertaining to federal funding.
- Updated the DAC appendix and Tribal information in MCE's Strategic Plan.
- Developed list of Bay Area peaker plants to understand local environmental impacts.

Prior Initiatives: Initiatives vary depending on MCE's needs. Here is a brief overview of initiatives completed prior to the last calendar year:

- Invested \$204,000 to partner with Rising Sun Center for Opportunity over two years to train 90 people with workforce skills necessary to go into the green construction trades, including customizing a home battery storage training module into their existing curriculum.
- Invested \$550,000 over two years to provide 200 portable home batteries so that customers with medical needs could shelter-in-place during power outages without depending on carbon-emitting back-up generators and without risking COVID-19 contagion at community centers. A subset of batteries was delivered to customers in partnership with local Centers for Independent Living.
- Alongside the Human Resources team, coordinating MCE's internal Diversity Equity and Inclusion Coalition for 4 years, guiding strategy and outputs of cross-departmental efforts.

Fiscal Impacts:

Discussion only.

Recommendation:

Discussion only.



May 15, 2025

TO: MCE Board of Directors

FROM: Sabrina Soldavini, Director of Policy

RE: Policy Update of Legislative and Regulatory Items

ATTACHMENT: Regulatory Packet with Filings since the April Board Meeting

Dear Board Members:

Below is a summary of the key activities at the state and federal legislatures and the California Public Utilities Commission (CPUC), California Energy Commission (CEC), and the California Independent System Operator (CAISO) impacting Community Choice Aggregation (CCA) and MCE.

I. Legislative Advocacy

a. California

As always, May is a particularly active time in Sacramento. By May 9th, all bills introduced will have either been heard by relevant policy committees in their house of origin, or they will have been rendered inactive for the year. By May 23rd, all bills that have a fiscal impact must either be voted out of the Appropriations committee in their house of origin, or they will be rendered inactive for the year. As of the time of drafting of this staff report, MCE has taken the following positions.

Bill Number and Author	Subject	MCE Position
SB 540 (Becker, Stern)	Pathways Initiative, regional energy markets	Support
SB 330 (Padilla)	Alternative financing for transmission	Support
SB 302 (Padilla)	Renewable tax conformity	Support
AB 443 (Bennett)	Green hydrogen, curtailed renewables	Support
SB 326 (Becker)	Wildfire mitigation strategic planning	Support
AB 1280 (Garcia)	IBank Climate Catalyst funding eligibility for industrial decarbonization projects	Support
AB 806 (Connolly)	Supporting installation of cooling units in mobile homes	Support
SB 541 (Becker)	Load-shifting and rates requirements	Oppose

MCE does not take oppose positions lightly. As originally drafted, SB 541 would have established de facto procurement mandates for load shifting technologies for MCE and all other LSEs, which would have made MCE's Virtual Power Plant and related efforts more expensive and potentially less cost-effective. It also would have infringed on MCE's procurement autonomy and the MCE Board's authority to set MCE's rates. However, staff are working constructively with the author's office to eliminate unintended negative consequences.

MCE Staff will continue to provide updates as the legislative session continues.

II. California Public Utilities Commission (CPUC)

a. Demand Flexibility - Hourly Flex Pricing Pilot

In April 2025, MCE's Technical Committee approved MCE's participation in Pacific Gas & Electric (PG&E)'s Hourly Flex Pricing (HFP) Pilots. Also in April 2025, PG&E filed an Advice Letter (AL) notifying the CPUC that it had reached its 50MW enrollment target for the Agricultural segment of the HFP Pilot. The AL reports that PG&E reached its enrollment target more quickly than expected and will be pausing enrollment due to concerns regarding the incentive budget, and the operational processes and capabilities necessary to support enrollment beyond 50MW. MCE, along with Ava, Central Coast Community Energy, Pioneer Community Energy, and Silicon Valley Clean Energy (collectively, the Joint CCAs) filed a protest arguing that PG&E's unilateral decision to pause enrollment for the Ag Pilot

discriminates against unbundled customers. Due to concerns raised regarding the pause in pilot enrollment, PG&E filed a supplemental Advice Letter to remove the “pause” language. However, it remains unclear how much capacity and related incentives remain for CCA customers’ participation. MCE is coordinating with the other Joint CCAs, PG&E and the CPUC regarding next steps, and will continue to provide updates as they become available.

Fiscal Impacts: There are no direct fiscal impacts to MCE at this time.

b. Power Charge Indifference Adjustment (PCIA) Proceeding

In February 2025, the CPUC issued an Order Instituting Rulemaking (OIR) to update Energy Resource Recovery Account (ERRA) and Power Charge Indifference Adjustment (PCIA) policies and processes. Per their statutory obligation, the CPUC is required to ensure “indifference” and prevent cost shifts between bundled and unbundled customers. This entails the IOUs recovering electricity costs from unbundled customers that were incurred on their behalf before they departed IOU service and reducing those costs by the value of benefits that remain with bundled customers. To facilitate this process, the Commission established the PCIA, a charge paid by all customers on the PG&E side of the bill.

In this proceeding, the CPUC is evaluating potential changes to the methodology of calculating the PCIA through two tracks. Track 1 will consider interim changes to the calculation of the RA Market Price Benchmark (MPB), one of the inputs used to calculate the PCIA, on an expedited basis. Track 2 will consider broader, long-term changes to the overall PCIA methodology and will begin in 2026.

CalCCA filed Opening and Reply Briefs in Track 1 of the proceeding in April 2025. CalCCA advocated for accuracy in the methodology for calculating the RA MPB and transparency in the process for implementing the proposed changes. The recommendations emphasized the need to apply modifications to the methodology only for issues identified through substantial supportive evidence in the record. The briefs also urged the CPUC to apply any changes in a forward-looking manner to 2026 rates, and not retroactively to previously approved rates.

MCE will continue to actively engage in this proceeding through 2025 and provide updates as they become available.

Fiscal Impacts: There are no immediate fiscal impacts to MCE, but future changes to the methodology will impact the PCIA charge paid by MCE customers for 2026 and beyond.

f. Disadvantaged Communities Green Tariff (DAC-GT)

Through the CPUC’s Disadvantaged Communities Green Tariff (DAC-GT), MCE offers the Green Access Program, which provides low-income MCE customers living in pollution

burdened communities with a 20% discount on their electricity bill, and 100% solar energy from a project located in a pollution burdened community.

On April 1, 2025, MCE submitted its 2024-2026 DAC-GT Annual Budget Advice Letter. The budget both forecasts costs for program year 2026 and reconciles forecast costs with actual spend for program year 2024. MCE is requesting \$1,972,742 for the DAC-GT program for program year 2026. MCE Staff will provide updates on the status of this request as they become available.

Fiscal Impacts: MCE is requesting \$1,972,742 from the CPUC to administer the DAC-GT program in 2026.